

AMENDED IN ASSEMBLY APRIL 26, 2010

CALIFORNIA LEGISLATURE—2009–10 REGULAR SESSION

ASSEMBLY BILL

No. 2334

Introduced by Assembly Member Salas

February 19, 2010

~~An act to add Section 657.5 to the Business and Professions Code, relating to health care. An act to add Article 3.7 (commencing with Section 1660) to Chapter 4 of Division 2 of, and to repeal Section 1660.7 of, the Business and Professions Code, relating to dentistry.~~

LEGISLATIVE COUNSEL'S DIGEST

AB 2334, as amended, Salas. ~~Health care: billing: interest and fees: Malpractice insurance: volunteer dentists.~~

Under existing law, the Dental Practice Act, the Dental Board of California is responsible for the licensure and regulation of dentists. Licensure fees imposed upon dentists are deposited into the State Dentistry Fund for the purposes of administering the act and are subject to appropriation by the Legislature.

This bill would create the Volunteer Insured Dentists Program, administered by the board, to provide specified malpractice insurance coverage to volunteer dentists providing uncompensated care to low-income patients pursuant to a contract with a qualified health care entity, as defined. The bill would provide unspecified funding for the program from the State Dentistry Fund for a limited period of time. The bill would require annual reports to the Legislature until January 1, 2015.

~~Existing law provides for the licensure and regulation of various health care practitioners by various boards under the Department of Consumer Affairs, and the licensure and regulation of health facilities~~

by the State Department of Public Health. Existing law provides that a creditor who is entitled to recover damages, as specified, is also entitled to recover interest on the damages prior to entry of a judgment for damages, as specified. Existing law also provides that interest accrues at the rate of 10% per annum on the principal amount of a money judgment remaining unsatisfied.

This bill would prohibit a medical care provider, as defined, or health facility, as defined, from charging, assessing, or collecting, directly or through a collection agency or other intermediary, or pursuant to any judgment, any interest on, or late fees or charges with respect to or arising out of, any unpaid balance on a bill for medical services rendered. The bill would also require those providers and facilities to include in a bill for medical services a notice to this effect, in at least 12-point type, as specified.

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Article 3.7 (commencing with Section 1660) is
2 added to Chapter 4 of Division 2 of the Business and Professions
3 Code, to read:

4
5 Article 3.7. Volunteer Insured Dentists Program

6
7 1660. This article shall be known and may be cited as the
8 Volunteer Insured Dentists (VID) Act, which authorizes the
9 creation and implementation of the Volunteer Insured Dentists
10 (VID) Program.

11 1660.1. For purposes of this article, the following definitions
12 shall apply:

13 (a) "Licensee" means a licensed dentist who is engaged in the
14 practice of dentistry under the jurisdiction of the board.

15 (b) "Low-income patient" means a person who is without dental
16 coverage and whose family income does not exceed 200 percent
17 of the federal poverty level, as defined annually by the federal
18 Office of Management and Budget.

19 (c) "Qualified health care entity" means a county health
20 department or clinic owned and operated by a governmental entity.

21 (d) "VID Program" is the Volunteer Insured Dentists Program.

1 (e) “Voluntary service agreement” means an agreement
2 executed pursuant to this article between the board, a licensee,
3 and a qualified health care entity that authorizes the qualified
4 health care entity to enter into a voluntary service contract with
5 the licensee.

6 (f) “Voluntary service application” means the written
7 application developed by the board that a licensee must complete
8 and submit in order to be considered for participation in the VID
9 Program.

10 (g) “Voluntary service contract” means an agreement executed
11 pursuant to this article between a licensee and a qualified health
12 care entity that authorizes the licensee to deliver dental services
13 to low-income patients as an agent of the qualified health care
14 entity on a volunteer, uncompensated basis.

15 (h) “Volunteer dentist” means a licensee who volunteers to
16 provide dental services, as described in Section 1660.3, to a
17 low-income patient, with no monetary or material compensation.

18 1660.2. (a) A licensee who wants to provide voluntary,
19 uncompensated care to low-income patients, but who does not
20 have professional liability insurance that would include insurance
21 coverage for premiums, defense, and indemnity costs for any claims
22 arising from voluntary and uncompensated care, may submit a
23 voluntary service application to the board for coverage under the
24 VID Program.

25 (b) A licensee who submits an application for a waiver of
26 renewal licensing fees under subdivision (a) of Section 1716.1 and
27 who also submits a voluntary service application shall be
28 simultaneously assessed by the board for eligibility to receive
29 professional liability insurance coverage for premiums, defense,
30 and indemnity costs through the VID Program.

31 (c) A licensee who has standard professional liability insurance
32 coverage for his or her regular practice but who is not covered
33 for volunteer service may submit a voluntary service application
34 to participate in the VID Program. In conjunction with the
35 voluntary service application, the licensee shall submit verification
36 from his or her professional liability insurance carrier that
37 voluntary, uncompensated care is not covered by his or her existing
38 professional liability insurance policy.

1 (d) The board shall review the voluntary service application to
2 determine if the applicant meets the criteria for VID Program
3 participation. These criteria shall include both of the following:

4 (1) Holding an active license in good standing to practice
5 dentistry in the State of California.

6 (2) No record of disciplinary action by the board or any other
7 regulatory board.

8 (e) Continued eligibility for the VID Program shall be
9 reassessed by the board during each license renewal cycle.

10 1660.3. (a) Licensees approved by the board for participation
11 in the VID Program may enter into a voluntary service agreement
12 with the board and a qualified health care entity that acknowledges
13 the terms of the VID Program and transfers responsibility from
14 the volunteer dentist to the state for professional liability insurance,
15 including premiums, defense, and indemnity costs, for voluntary,
16 uncompensated dental care that is provided in accordance with
17 an executed and signed voluntary service contract between the
18 volunteer dentist and the qualified health care entity and that
19 complies with the terms of the VID Program.

20 (b) The voluntary service contract between the volunteer dentist
21 and the qualified health care entity shall include all of the following
22 provisions:

23 (1) All care provided shall be both voluntary and uncompensated
24 and shall be provided to low-income patients.

25 (2) Patient selection and initial referral shall be made solely
26 by the qualified health care entity and the volunteer dentist shall
27 accept all referred patients except as otherwise allowed by law.
28 However, the number of patients that must be accepted may be
29 limited by the voluntary service contract.

30 (3) The qualified health care entity shall have access to the
31 patient records of the volunteer dentist delivering services under
32 the voluntary service contract.

33 (4) The volunteer dentist shall be subject to supervision by the
34 qualified health care entity's standard peer review process and
35 all related laws regarding peer review, including, but not limited
36 to, the filing of reports pursuant to Section 805.

37 (5) The qualified health care entity shall utilize a quality
38 assurance program to monitor services delivered by the volunteer
39 dentist under the voluntary services contract.

1 (6) *The right to dismiss or terminate a volunteer dentist*
2 *delivering services under the voluntary service contract shall be*
3 *retained by the qualified health care entity. If the volunteer services*
4 *contract is terminated, the qualified health care entity shall notify*
5 *the VID Program in writing within five days.*

6 1660.4. *The fact that a volunteer dentist is insured under the*
7 *VID Program in relation to particular dental services rendered*
8 *shall not operate to change or affect the laws applicable to any*
9 *claims arising from or related to those dental services. All laws*
10 *applicable to a claim remain the same regardless of whether a*
11 *licensee is insured through the VID Program.*

12 1660.5. *If a volunteer dentist covered by the VID Program*
13 *receives notice or otherwise obtains knowledge that a claim of*
14 *professional negligence has been or may be filed, the dentist shall*
15 *immediately notify the VID Program or the contracted liability*
16 *carrier.*

17 1660.6. *All costs for administering the VID Program, including*
18 *the cost of professional liability insurance for premiums, defense,*
19 *and indemnity coverage for program participants, shall be paid*
20 *for from the State Dentistry Fund, in an amount not to exceed ____*
21 *dollars (\$____) per year.*

22 1660.7. (a) *The board shall report annually to the Legislature*
23 *summarizing the efficacy of access and treatment outcomes with*
24 *respect to providing dental services for low-income patients*
25 *pursuant to this article. The report shall include the numbers of*
26 *injuries and deaths reported, claims statistics for all care rendered*
27 *under the VID Program, including the total of all premiums paid,*
28 *the number of claims made for each year of the VID Program, the*
29 *amount of all indemnity payments made, the cost of defense*
30 *provided, and administration costs associated with all claims made*
31 *against volunteer dentists arising from voluntary and*
32 *uncompensated care provided under the VID Program.*

33 (b) (1) *A report to be submitted pursuant to subdivision (a)*
34 *shall be submitted in compliance with Section 9795 of the*
35 *Government Code.*

36 (2) *Pursuant to Section 10231.5 of the Government Code, this*
37 *section is repealed on January 1, 2015.*

38 1660.8. *This article shall remain operative until January 1,*
39 *2016, or until another viable source of funding is identified and*
40 *adopted, whichever occurs first.*

1 ~~SECTION 1. Section 657.5 is added to the Business and~~
2 ~~Professions Code, to read:~~

3 ~~657.5. (a) Notwithstanding Section 3287 of the Civil Code~~
4 ~~and Section 685.010 of the Code of Civil Procedure, it is unlawful~~
5 ~~for any medical care provider, or any health facility to charge,~~
6 ~~assess, or collect, directly or through a collection agency or other~~
7 ~~intermediary, or pursuant to any judgment, any interest on, or late~~
8 ~~fees or charges with respect to or arising out of, any unpaid balance~~
9 ~~on a bill for any medical services provided.~~

10 ~~(b) (1) For purposes of this section, “medical care provider”~~
11 ~~means a person licensed under Chapter 5 (commencing with~~
12 ~~Section 2000), Chapter 5.7 (commencing with Section 2600),~~
13 ~~Chapter 6 (commencing with Section 2700), Chapter 6.5~~
14 ~~(commencing with Section 2840), Chapter 6.6 (commencing with~~
15 ~~Section 2900), Chapter 7.7 (commencing with Section 3500),~~
16 ~~Chapter 8 (commencing with Section 3600), or Chapter 8.2~~
17 ~~(commencing with Section 3610), any medical group, and any~~
18 ~~independent practice association.~~

19 ~~(2) For purposes of this section, “health facility” means a health~~
20 ~~facility as defined in Section 1250 of the Health and Safety Code,~~
21 ~~and also includes all wholly owned subsidiaries of the facility, a~~
22 ~~parent company that wholly owns the facility, and any subsidiaries~~
23 ~~wholly owned by the same parent that wholly owns the facility.~~

24 ~~(c) A billing statement for medical care services rendered by a~~
25 ~~medical care provider or health facility shall include the following~~
26 ~~notice in a legible font in at least 12-point type:~~

27
28 ~~“You are responsible to pay this bill. However, California law~~
29 ~~prohibits us from charging, assessing, or collecting, directly or~~
30 ~~through a collection agency or other intermediary, or pursuant to~~
31 ~~any judgment, any interest on, or late fees or charges with respect~~
32 ~~to or arising out of, any unpaid balance on this bill.”~~